

# OSDBU UPDATE

Department of Veterans Affairs

February 1999

## Notes from Scott

In January's issue, we outlined our plans for this year. I'm pleased to report that we're making good progress already on the SBA-VA 8(a) MOU. Our office processed concurrence back to the Office of Acquisition and Materiel Management. We're also making significant progress in finalizing the FY 1999 socio-economic procurement goals. We have received concurrences from the administrations. This step is necessary before scheduling a briefing with Secretary West. This year, for the first time, dollars spent with GSA's Federal Supply Schedule contracts will be included in the total procurement calculations. This gives you a new outreach opportunity. An executive from GSA's Federal Supply Schedules reported at a Civilian Agency Acquisition Council meeting this month, that **77%** of the FSS contractors are small businesses. Many of these small businesses also qualify as disadvantaged or women-owned concerns. This new method of calculating total procurement should help facilities in meeting their commitments to small, disadvantaged and women-owned businesses.

We're also making progress in finalizing VA's Simplified Acquisition Regulation for Health Care

Resources. VA's project team is reviewing submissions received in response to our Proposed Rule in the Federal Register. Additionally, VA had requested that the size standards for Major Group 80, Health Care Services be raised. A meeting is now scheduled with the Office of Management and Budget, the Small Business Administration and the Department of Health and Human Services to address this issue. I'll have details to report in next month's Update.

Another significant event occurred this month. The recently appointed Administrator of the Office of Federal Procurement Policy, Ms. Deidre Lee, called a meeting of the Senior Procurement Executives and the OSDBU Directors to address the numerous issues associated with executing the new small business programs. It was valuable having both groups in the same meeting and I will encourage OFPP to schedule future meetings of this kind. In this issue, we've included an extract of Federal Acquisition Regulation guidance on crafting language for the Small Disadvantaged Business Program Evaluation Factor. We're waiting for responses from SBA on some HUB Zone questions. We'll post those in next month's issue.

In closing, I want to recognize the continuing contributions by VA's small disadvantaged businesses of African American and Chinese heritage. This month, VA facilities are scheduling special programs highlighting the achievements of African Americans. In Central Office, we have a special program highlighting advances within the business community. This is a session we've done before and we highly recommend you consider including a business program when planning next year's facility-level events. To our Chinese associates, Happy New Year!

## INSIDE THIS ISSUE

- 2 SDB Program – Technical Factors
- 4 Coming Next Month

**SMALL BUSINESS BUILDS  
AMERICA!**

Small Disadvantaged Business Program - Guidance on Establishing Technical Evaluation Factors

Full & Open Competition Requirements Exceeding \$500,000 (\$1M for Construction)

Solicitations shall include a technical evaluation factor for Small Disadvantaged Business (SDB) participation, as prescribed in the following FAR text. Emphasis has been added to certain words to aid the contracting officer in identifying required actions:

Evaluation Factors and Significant Subfactors, FAR 15.304(c)(4):

The extent of participation of small disadvantaged business concerns in performance of the contract shall be evaluated in unrestricted acquisitions expected to exceed \$500,000 (\$1,000,000 for construction) subject to certain limitations (see 19.201 and 19.202).

Proposal Evaluation, FAR 15.305(a)(2)(v):

The evaluation should include the past performance of offerors in complying with subcontracting plan goals for small disadvantaged business (SDB) concerns (see Subpart 19.7), monetary targets for SDB participation (see 19.1202), and notifications submitted under 19.1202-4(b).

Small Disadvantaged Business Participation Program Procedures, FAR 19.1202-4:

(a) The solicitation shall describe the SDB participation evaluation factor or subfactor.

The solicitation shall require offerors to provide, with their offers, targets, expressed as dollars and percentages of total contract value, in each of the applicable authorized SIC Major Groups, and a total target for SDB participation by the contractor, including joint venture partners, and team members, and a total target for SDB participation by subcontractors.

The solicitation shall require an SDB offeror that waives the SDB price evaluation adjustment in the clause at 52.219-23, Notice of Price Evaluation Adjustment for Small Disadvantaged Business Concerns, to provide with its offer a target for the work that it intends to perform as the prime contractor.

The solicitation shall state that any targets will be incorporated into and become part of any resulting contract.

Contractors with SDB participation targets shall be required to report SDB participation.

(b) When an evaluation includes an SDB participation evaluation factor or subfactor that considers the extent to which SDB concerns are specifically identified, the SDB concerns considered in the evaluation shall be listed in the contract, and the contractor shall be required to notify the contracting officer of any substitutions of firms that are not SDB concerns.

Note to contracting officers: FAR 19.1202-4(b) above is optional, since it states "When" an evaluation factor is used which considers the extent to which SDBs are named in the proposals. Naming the SDB firms in the proposal is highly recommended, but not required.



Praise for Houston's Acquisition Personnel

by Lisa Russell

The Director of the Houston Minority Business Development Center, Mr. Milton Thibodeaux, recently praised the efforts of the acquisition personnel at the VA Medical Center, Houston, TX, and Linda Dean, in particular. Mr. Thibodeaux spoke very highly of Linda Dean's willingness to help minority owned businesses and stated that Ms. Dean consistently goes out of her way to help a minority business get a contract. The VAMC, Houston works closely with the 8(a) program companies by trying to use the program to procure medical and pharmaceutical supplies, services, and construction. Houston is a new facility with few construction requirements, so Ms. Dean's main focus has been on the supply and service side. Mr. Thibodeaux said that the MBDC hosts a procurement breakfast frequented by HUD, NASA, etc., and that Ms. Dean has conducted seminars and bid opportunity workshops at these breakfasts. The MBDC is grateful for the presence of Ms. Dean and her acquisition staff at these breakfasts, and truly appreciates the efforts made by the Purchasing and Contracting staff to assist small businesses.



Market Research

The Portal Wars continue ...  
Search Engines Get Smarter  
by Jim Dunning

Ever used a search engine and gotten page after page of absolutely useless references? Sounds familiar doesn't it? I've often done searches and come up fifty

Whenever I do Internet searches now I bypass Yahoo, Metacrawler, Lycos, Dogpile, and all the rest and start with DirectHit and Google.

VISN 18	Sheila Kiker	806-354-7846
VISN 19	Pat Amidon	700-322-4692
VISN 20	Kenny Carleton	907-257-6933
VISN 21	Donna Daniels	700-470-3877
VISN 22	Terry Wolgamott	562-494-5778

I encourage every station to have one employee who currently has access to FALCON to contact your VISN coordinator who will provide you with the software. Also, provide him or her with names and Austin User ID's for those people requiring access.. The coordinator will forward the information to me. I will assign you a password and send you information on your password so that you may access the test form. The new VA 1399S will be faxed to your station for use when testing the new program. The new form is also available in JetForm, but please remember that this version is for use only with the new FPDS software program. It is not for use with FALCON.

[illegible]

# DEMO PROGRAM

by Sherra Berutto

OMB Memorandum dated October 1, 1998, Subject: Small Business Competitiveness Demonstration Program Interim Policy Directive and Implementation Plan, authorizes prime contract awards to small businesses pursuant to the HUBZone Act of 1997, Title VI of the Small Business Reauthorization Act of 1997 (Public Law 105-135), to count toward goal attainment. In addition, the interim Policy Directive recognizes that participating agencies may set aside procurements in the DIGs, under the HUBZone Empowerment Contracting Program, that exceed the emerging small business reserve amount even though the agency's 40 percent small business goal is being attained.

[illegible]

## FPDS CORNER

by Lisa Russell

The "rollout" of the new software program to input FPDS data has begun. There is a test form available for viewing and testing by contracting personnel. However, you must have the communications software, WinFrame, and proper access in order to view and test the form. In the true VA spirit, when we asked for a volunteer from each VISN to coordinate some of the activity, we received the name of a volunteer. The following is the list of the volunteers:

VISN 1	Fran O'Donnell	700-885-1168
VISN 2	Sue Brown	700-432-3373
VISN 3	Angel Salas	718-579-3301
VISN 4	Genevieve Graff	412-365-5450
VISN 5	Robert Capers	700-956-5260
VISN 6	Debbie Nasekos	700-699-7363
VISN 7	Suzanne Jene	700-534-5372
VISN 8	Anita Mariano	305-324-3291
VISN 9	Robert Vore	615-867-5427
VISN 10	Deanna Bishop	700-950-3090
VISN 11	Barbara Lupo	313-576-3737
VISN 12	Diane Ralston	414-902-5457
VISN 13	Michael Owen	700-780-2175
VISN 14	Desiree Lewis	310-338-0581x6178
VISN 15	Glenn Carpenter	913-758-4100
VISN 16	Soila Reando	501-370-6687

## Market Research

Search GSA Schedules Online

by Jim Dunning

Up-to-date information on 5,000 commercial vendors and their products and services are now available on GSA's Schedules E-Library. The E-Library is accessible via FSS's Schedules page at: [pub.fss.gsa.gov/sched](http://pub.fss.gsa.gov/sched).

The site is organized into three parts: search engine, basic schedule ordering guidelines, and a list of schedules with a list of contractors on each schedule. Product information is searchable by keyword, contract number, contractor name, special item number (SIN)

or schedule number. Searches can be general or specific and can bring up the contractor's information page listing all schedules held, SINs held, and it's availability on GSA Advantage!, the agencies online shopping site. Users will also be able to access the contractors phone numbers, e-mail addresses, and web site.

Information will be updated daily and contractors are encouraged to examine their information for any errors. One of the enhancements planned for the immediate future is that inclusion of companies socioeconomic status.



**SECOND INSCRIPTION PROGRAM  
RELIES ON  
SMALL BUSINESSES**

By Wayne Simpson  
Chief, Centralized Contracting Division (402D3)  
National Cemetery Administration Operations Support  
Center

The National Cemetery Administration (NCA) has turned to small business concerns in satisfying its second inscription requirements nationwide. The Second Inscription Program began in May 1995 as a pilot program at Jefferson Barracks National Cemetery, St. Louis, MO., with a Vietnam Veteran-Owned Small Business. The program has expanded to include over forty national and State Veteran Cemeteries. Since the program's inception, over 12,000 second inscriptions have been added to existing upright headstones, generating revenue with small businesses in excess of \$1 million and saving VA nearly \$1.5 million in direct replacement costs. The program has provided opportunities for small businesses around the country, who, due to size or lack of manufacturing capabilities, have previously been unable to participate in satisfying requirements under the Veterans Headstone and Grave Marker Program. The success of this program is the result of small business participation. In 1998, NCA received the prestigious Hammer and Scissors Awards for the program.

Second inscriptions occur when a second interment is made in the same grave and the veteran pre-decease's the spouse. The second decedent's data is then inscribed on the reverse side of the existing upright headstone on the gravesite. Prior to this program, all headstones had to be replaced when a

second interment was made in the same grave. Most of the replacement upright marble headstones came from a large business concern. Second inscription data is added on-site without removing the headstone, thereby obviating the need to de-install and re-install the headstone. In addition to improved customer service (second inscription is added much faster than a new headstone can be manufactured, shipped to the cemetery and installed), the risk of injury to cemetery personnel is reduced by not having to handle the 230 pound upright headstones.



**Coming Next Month**

VAs Small Disadvantaged Businesses  
Purchase Cards – Increasing Opportunities for Small  
Businesses  
Web Site Changes

Give us your comments – contact us:

Main Number 202-565-8124

Director  
[Scott.denniston@mail.va.gov](mailto:Scott.denniston@mail.va.gov)

Deputy Director  
[Gail.wegner@mail.va.gov](mailto:Gail.wegner@mail.va.gov)

Outreach/National Team  
  
[Deborah.vandover@mail.va.gov](mailto:Deborah.vandover@mail.va.gov)  
[Jim.dunning@mail.va.gov](mailto:Jim.dunning@mail.va.gov)  
[Lynette.simmons@mail.va.gov](mailto:Lynette.simmons@mail.va.gov)

Veterans Team  
  
[Ilene.waggoner@mail.va.gov](mailto:Ilene.waggoner@mail.va.gov)  
[Ramsev.alexander@mail.va.gov](mailto:Ramsev.alexander@mail.va.gov)

FPDS Team  
  
[Lisa.russell@mail.va.gov](mailto:Lisa.russell@mail.va.gov)  
[Sherra.berutto@mail.va.gov](mailto:Sherra.berutto@mail.va.gov)

Web Site  
[www.va.gov/osdbu](http://www.va.gov/osdbu)